CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Madison County Wind Exploration

Proposed

Implementation Date: 12/10/07

Proponent: Madison Valley Renewable Energy, LLC

Location & Trust: T3S R1W Section 2, Lots 1, 2, 3, 4, S ½ N ½, W ½ SE ¼, SW ¼, Common Schools

T3S R1W Section 9, E ½ NW ¼, E ½, Common Schools T3S R1W Section 16, E ½, S ½ SW ¼, Common Schools

T3S R1W Section 36, Common Schools T2S R1E Section 16, Common Schools T2S R1E Section 20, Common Schools

T2S R1E Section 30, SE 1/4 NW 1/4, E 1/2, Public Buildings

T2S R1W Section 24, Public Buildings

County: Madison

I. TYPE AND PURPOSE OF ACTION

Allow for the placement of anemometers and other wind measuring devices, biological studies and geophysical studies for the purpose of assessing the properties for the development of wind energy.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

Donna Bausch, 406-685-3377, P.O. Box 126, Ennis, MT, 59729. Lessee Section 2 T3S R1W lease #3289

Steven & Ila Deane Jackson, 406-685-3349, P.O. Box 2854, Norris, MT 59745. Lessee S9 T3S R1W lease #5635, S16 T3S R1W, lease #1874.

Byram D & Leslie Owens, 406-685-3453, P.O. Box 130, McAllister, MT 59740. Lessee S36 T3S R1W Lease #1867

Climbing Arrow Ranch, Inc, c/o Katherine M. Anderson, 406-586-6754, 45 Hitching Post Rd., Bozeman, MT 59715. Lessee S16 T2S R1E, lease # 6571, S20 T2S R1E, Lease # 6571, S30 T2S R1E, lease #6573, S24 T2S R1W, Lease #6573.

Madison County Commissioners

Montana FWP

Requested a Species of Concern search using the Montana Natural Heritage Program search program. The report found no species of concern.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

3. ALTERNATIVES CONSIDERED:

Proposed Alternative: Allow for the collection of wind, Biological and geophysical data to assess the viability of wind development on the proposed State Trust Lands.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

Soils on the tracts are silty complex, typical of the bench throughout the lower Madison valley; they are moderately erosive and suitable for Rangeland.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

No direct or cumulative impacts to water quality are anticipated as a result of the proposal.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Air quality is currently good. Impacts to air quality may result from a variety of activities including road use, agricultural burning, wildfires, industrial development, vehicle emissions or heating system emissions among others.

No lasting impacts to air quality would be expected.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

No direct or cumulative effects are expected to occur to vegetation as a result of the proposal due to the scope of the project affecting State Land.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

This tract is used by a variety of wildlife to include mule deer, white-tailed deer, red fox, coyotes, numerous species of small mammals (mice, voles, ground squirrels, rabbits, marmots, ect.), various raptors (red-tailed hawks, golden eagles, American kestrels, prairie falcons, ect.) upland game birds (ruffed-grouse, possibly Hungarian partridge), and numerous non-game bird species (a wide variety of migrant and resident bird species associated with available habitats).

No direct or cumulative effects are expected to occur.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

Occasional use by Bald Eagles may occur on the state land due to it's proximity to the Madison River three miles to the east. However there are no nesting sites, primary use or home range areas identified on the state land.

The Natural Heritage Program sited two species that may be of a concern in that area, the Agapetus Caddis Fly and the Gray Wolf.

No direct or cumulative impact to Threatened, Endangered or unique wildlife is anticipated as a result of the proposal due the it's limited scope.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

There are no known historical or archaeological sites in the area of construction. All sites for geophysical or wind data collection will be approved prior to installation.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

The anemometers use for exploration are small and would have little visual impact.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND. WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

None.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

None

IV. IMPACTS ON THE HUMAN POPULATION

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

No impacts would be expected.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

No impact to agricultural production.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The proposal would have no affect on quantity and distribution of employment.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

This proposal would potentially have no effect on tax revenues.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

Exploration should have no effect on government services.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

The tracts are currently not zoned.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

No change to recreational access.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

No population density or distribution changes would be expected.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by the proposal.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

The exploration would not be expected to directly or cumulatively impact cultural uniqueness or diversity.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Signature:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

The Land Use License to be issued for the exploration of wind energy will increase the revenues to the trust lands included in this project by \$30,534.00 per year for the next 2 years.

Name: Craig Campbell/s/ **Date:** 6/26/07 **EA Checklist Prepared By:** Title: Bozeman Unit Manager V. FINDING 25. ALTERNATIVE SELECTED: Issue Land Use License to allow licensee to collect wind, biological and geophysical data to evaluate the lands for potential wind energy development. 26. SIGNIFICANCE OF POTENTIAL IMPACTS: Significant impacts are not expected as a result of the proposed activity. Wind towers for data collection are relatively small structures, will be unobtrusive and will disturb little ground when erected. Site specific review and approval of the construction sites will reduce impacts of installation. 27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS: **EIS** More Detailed EA No Further Analysis Name: Garry Williams **EA Checklist** Approved By: Title: Area Manager, CLO Date:

1/2/08